



**Date:** September 18, 2012

**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Reginald J. Johnson, Interim Director  
Department of Community Development  
**Subject:** FY 2012- 2013 CDBG Subrecipient Contract  
Case Management and Subsistence Payments

### **Executive Summary**

In the FY 2012-2013 Annual Action Plan approved by Council on May 10, 2012, the Department of Community Development (DCD) recommended that the Durham County receive \$74,000.00 in Community Development Block Grant (CDBG) funds for FY 2012-2013 to provide ongoing case management services and subsistence payments in the form of rental or utility assistance to a minimum of 35 low- to moderate- income households who are on the verge of homelessness.

### **Recommendation**

The Department of Community Development recommends that the City Council authorize the expenditure of CDBG funds in an amount not to exceed \$74,000.00 and authorize the City Manager to execute a Subrecipient Contract with Durham County beginning November 1, 2012 and October 31, 2013 to provide case management services and subsistence payments in the form of rental or utility assistance to a minimum of 35 low- to moderate-income households who are on the verge of homelessness in the City of Durham.

### **Background**

Durham County Department of Social Services (DSS) has provided supplemental assistance to households that are considered at or below poverty levels over the past three (3) years. DSS provided homelessness prevention services in the form of case management and financial assistance to households who were on the verge of being evicted in Durham under the piloted Homelessness Prevention and Rapid Re-Housing Program (HPRP) which was a part of American Recovery Reinvestment Act under the President Obama administration. As a result, DSS created a case manager position in 2010. The case manager has been responsible for coordinating a comprehensive assessment of a client's needs and providing financial assistance to those in the form of rental or utility payment to prevent homelessness.

Under the FY 2012-2013 Subrecipient Contract, Durham County DSS will provide case management services and subsistence payments in the form of rental or utility assistance to a minimum 35 low- to moderate-income households who are on the verge of homelessness in the City of Durham.

**Issues and Analysis**

With the lingering effects of the recession, the need to prevent homelessness remains. Under the HPRP program, DSS assisted more than 170 low income households. CDBG funding will allow DSS to retain the case manager position and continue providing financial assistance to households that are at risk of becoming homeless.

**Alternatives**

The City Council may elect not to authorize the execution of this contract and/or not to approve the amount allocated, in which case the Subrecipient's capacity to provide services will be limited.

**Financial Impact**

The expenditure of the requested amount will be governed by the attached performance base contract on a monthly fee for service basis. All payments will be on a reimbursement basis.

CDBG funds of \$74,000.00 are budgeted and available for this project through City Council approval FY 2012-2013 Annual Action Plan. The project will have no impact on the General Fund.

**SDBE Summary**

SDBE requirements do not apply in this case

**Attachments**

Subrecipient Contract